

[COMMITTEE PRINT]

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[PROPOSED RECONCILIATION PROVISION]

1 **TITLE III—COMMITTEE ON**
2 **COMMERCE**

3 **Subtitle D—Communications**

4 **SEC. 3301. SPECTRUM AUCTIONS.**

5 (a) EXTENSION AND EXPANSION OF AUCTION AU-
6 THORITY.—

7 (1) AMENDMENTS.—Section 309(j) of the Com-
8 munications Act of 1934 (47 U.S.C. 309(j)) is
9 amended—

10 (A) by striking paragraphs (1) and (2) and
11 inserting in lieu thereof the following:

12 “(1) GENERAL AUTHORITY.—If, consistent with
13 the obligations described in paragraph (6)(E), mutu-
14 ally exclusive applications are accepted for any ini-
15 tial license or construction permit which will involve
16 an exclusive use of the electromagnetic spectrum,
17 then the Commission shall grant such license or per-
18 mit to a qualified applicant through a system of
19 competitive bidding that meets the requirements of
20 this subsection.

1 “(2) EXEMPTIONS.—The competitive bidding
2 authority granted by this subsection shall not apply
3 to licenses or construction permits issued by the
4 Commission—

5 “(A) that, as the result of the Commission
6 carrying out the obligations described in para-
7 graph (6)(E), are not mutually exclusive;

8 “(B) for public safety radio services, in-
9 cluding non-Government uses, that protect the
10 safety of life, health, and property and that are
11 not made commercially available to the public;

12 “(C) for initial licenses or construction
13 permits assigned by the Commission to existing
14 terrestrial broadcast licensees for new terres-
15 trial digital television services; or

16 “(D) for public telecommunications serv-
17 ices, as defined in section 397(14) of the Com-
18 munications Act of 1934 (47 U.S.C. 397(14)),
19 when the license application is for channels re-
20 served for noncommercial use.”;

21 (B) by striking the third sentence of para-
22 graph (8)(B);

23 (C) by striking “1998” in paragraph (11)
24 and inserting “2002”; and

1 (D) in paragraph (13)(F), by striking
2 "September 30, 1998" and inserting "the date
3 of enactment of the Balanced Budget Act of
4 1997".

5 (2) CONFORMING AMENDMENT.—Subsection (i)
6 of section 309 of the Communications Act of 1934
7 (47 U.S.C. 309(i)) is repealed.

8 (3) EFFECTIVE DATE.—The amendment made
9 by paragraph (1)(A) shall not apply with respect to
10 any license or permit for which the Federal Commu-
11 nications Commission has accepted mutually exclu-
12 sive applications on or before the date of enactment
13 of this Act.

14 (b) COMMISSION OBLIGATION TO MAKE ADDITIONAL
15 SPECTRUM AVAILABLE BY AUCTION.—

16 (1) IN GENERAL.—The Federal Communica-
17 tions Commission shall complete all actions nec-
18 essary to permit the assignment, by September 30,
19 2002, by competitive bidding pursuant to section
20 309(j) of the Communications Act of 1934 (47
21 U.S.C. 309(j)) of licenses for the use of bands of
22 frequencies that—

23 (A) individually span not less than 25
24 megahertz, unless a combination of smaller
25 bands can, notwithstanding the provisions of

1 paragraph (7) of such section, reasonably be ex-
2 pected to produce greater receipts;

3 (B) in the aggregate span not less than
4 100 megahertz;

5 (C) are located below 3 gigahertz;

6 (D) have not, as of the date of enactment
7 of this Act—

8 (i) been designated by Commission
9 regulation for assignment pursuant to such
10 section;

11 (ii) been identified by the Secretary of
12 Commerce pursuant to section 113 of the
13 National Telecommunications and Infor-
14 mation Administration Organization Act;

15 (iii) been allocated for Federal Gov-
16 ernment use pursuant to section 305 of the
17 Communications Act of 1934 (47 U.S.C.
18 305); or

19 (iv) been designated in section 3303
20 of this Act; and

21 “(E) shall, notwithstanding section
22 115(b)(1)(B) of the National Telecommuni-
23 cations and Information Administration Organi-
24 zation Act (47 U.S.C. 925(b)(1)(B)) or any

1 proposal pursuant to such section, include fre-
2 quencies at 1,710–1,755 megahertz.

3 (2) CRITERIA FOR REASSIGNMENT.—In making
4 available bands of frequencies for competitive bid-
5 ding pursuant to paragraph (1), the Commission
6 shall—

7 (A) seek to promote the most efficient use
8 of the spectrum;

9 (B) take into account the cost to incum-
10 bent licensees of relocating existing uses to
11 other bands of frequencies or other means of
12 communication; and

13 (C) comply with the requirements of inter-
14 national agreements concerning spectrum allo-
15 cations.

16 (3) NOTIFICATION TO NTIA.—The Commission
17 shall notify the Secretary of Commerce if—

18 (A) the Commission is not able to provide
19 for the effective relocation of incumbent licens-
20 ees to bands of frequencies that are available to
21 the Commission for assignment; and

22 (B) the Commission has identified bands
23 of frequencies that are—

24 (i) suitable for the relocation of such
25 licensees; and

1 (ii) allocated for Federal Government
2 use, but that could be reallocated pursuant
3 to part B of the National Telecommuni-
4 cations and Information Administration
5 Organization Act (as amended by this
6 Act).

7 (c) IDENTIFICATION AND REALLOCATION OF FRE-
8 QUENCIES.—The National Telecommunications and Infor-
9 mation Administration Organization Act (47 U.S.C. 901
10 et seq.) is amended—

11 (1) in section 113, by adding at the end the fol-
12 lowing new subsection:

13 “(f) ADDITIONAL REALLOCATION REPORT.—If the
14 Secretary receives a notice from the Commission pursuant
15 to section 3301(b)(3) of the Balanced Budget Act of 1997,
16 the Secretary shall prepare and submit to the President,
17 the Commission, and the Congress a report recommending
18 for reallocation for use other than by Federal Government
19 stations under section 305 of the 1934 Act (47 U.S.C.
20 305), bands of frequencies that are suitable for the uses
21 identified in the Commission’s notice. The Commission
22 shall, not later than one year after receipt of such report,
23 prepare, submit to the President and the Congress, and
24 implement, a plan for the immediate allocation and assign-
25 ment of such frequencies under the 1934 Act to incumbent

1 licencees described in section 3301(b)(3) of the Balanced
2 Budget Act of 1997.”; and

3 (2) in section 114(a)(1), by striking “(a) or
4 (d)(1)” and inserting “(a), (d)(1), or (f)”.

5 (d) IDENTIFICATION AND REALLOCATION OF
6 AUCTIONABLE FREQUENCIES.—The National Tele-
7 communications and Information Administration Organi-
8 zation Act (47 U.S.C. 901 et seq.) is amended—

9 (1) in section 113(b)—

10 (A) by striking the heading of paragraph
11 (1) and inserting “INITIAL REALLOCATION RE-
12 PORT”;

13 (B) by inserting “in the first report re-
14 quired by subsection (a)” after “recommend for
15 reallocation” in paragraph (1);

16 (C) by inserting “or (3)” after “paragraph
17 (1)” each place it appears in paragraph (2);
18 and

19 (D) by inserting after paragraph (2) the
20 following new paragraph:

21 “(3) SECOND REALLOCATION REPORT.—In ac-
22 cordance with the provisions of this section, the Sec-
23 retary shall recommend for reallocation in the sec-
24 ond report required by subsection (a), for use other
25 than by Federal Government stations under section

1 305 of the 1934 Act (47 U.S.C. 305), a band or
2 bands of frequencies that—

3 “(A) in the aggregate span not less than
4 20 megahertz;

5 “(B) individually span not less than 20
6 megahertz, unless a combination of smaller
7 bands can reasonably be expected to produce
8 greater receipts;

9 “(C) are located below 3 gigahertz; and

10 “(D) meet the criteria specified in para-
11 graphs (1) through (5) of subsection (a).”; and
12 (2) in section 115—

13 (A) in subsection (b), by striking “the re-
14 port required by section 113(a)” and inserting
15 “the initial reallocation report required by sec-
16 tion 113(a)”; and

17 (B) by adding at the end the following new
18 subsection:

19 “(c) ALLOCATION AND ASSIGNMENT OF FRE-
20 QUENCIES IDENTIFIED IN THE SECOND REALLOCATION
21 REPORT.—With respect to the frequencies made available
22 for reallocation pursuant to section 113(b)(3), the Com-
23 mission shall, not later than one year after receipt of the
24 second reallocation report required by such section, pre-
25 pare, submit to the President and the Congress, and im-

1 plement, a plan for the immediate allocation and assign-
2 ment under the 1934 Act of all such frequencies in accord-
3 ance with section 309(j) of such Act.”.

4 **SEC. 3302. AUCTION OF RECAPTURED BROADCAST TELE-**
5 **VISION SPECTRUM.**

6 Section 309(j) of the Communications Act of 1934
7 (47 U.S.C. 309(j)) is amended by adding at the end the
8 following new paragraph:

9 “(14) AUCTION OF RECAPTURED BROADCAST
10 TELEVISION SPECTRUM.—

11 “(A) LIMITATIONS ON TERMS OF TERRES-
12 TRIAL TELEVISION BROADCAST LICENSES.—A
13 television license that authorizes analog tele-
14 vision services may not be renewed to authorize
15 such service for a period that extends beyond
16 December 31, 2006. The Commission shall
17 grant by regulation an extension of such date to
18 licensees in a market if the Commission deter-
19 mines that more than 5 percent of households
20 in such market continue to rely exclusively on
21 over-the-air terrestrial analog television signals.

22 “(B) SPECTRUM REVERSION AND RE-
23 SALE.—

24 “(i) The Commission shall ensure
25 that, when the authority to broadcast ana-

1 log television services under a license ex-
2 pires pursuant to subparagraph (A), each
3 licensee shall return spectrum according to
4 the Commission's direction and the Com-
5 mission shall reclaim such spectrum.

6 “(ii) Licensees for new services occu-
7 pying spectrum reclaimed pursuant to
8 clause (i) shall be selected in accordance
9 with this subsection. The Commission shall
10 start such selection process by July 1,
11 2001, with payment pursuant to rules es-
12 tablished by the Commission under this
13 subsection.

14 “(C) DEFINITIONS.—As used in this para-
15 graph:

16 “(i) The term ‘digital television serv-
17 ice’ means television service provided using
18 digital technology to enhance audio quality
19 and video resolution, as further defined in
20 the Memorandum Opinion, Report, and
21 Order of the Commission entitled ‘Ad-
22 vanced Television Systems and Their Im-
23 pact Upon the Existing Television Service’,
24 MM Docket No. 87-268 and any subse-

1 quent Commission proceedings dealing
2 with digital television.

3 “(ii) The term ‘analog television serv-
4 ice’ means service provided pursuant to the
5 transmission standards prescribed by the
6 Commission in section 73.682 of its regu-
7 lation (47 CFR 73.682).”.

8 **SEC. 3303. ALLOCATION AND ASSIGNMENT OF NEW PUBLIC**
9 **SAFETY AND COMMERCIAL LICENSES.**

10 (a) IN GENERAL.—The Federal Communications
11 Commission, not later than January 1, 1998, shall allocate
12 on a national, regional, or market basis, from radio spec-
13 trum between 746 megahertz and 806 megahertz—

14 (1) up to 24 megahertz of that spectrum for
15 public safety services according to terms and condi-
16 tions established by the Commission; and

17 (2) the remainder of that spectrum for commer-
18 cial purposes to be assigned by competitive bidding
19 in accordance with section 309(j).

20 (b) ASSIGNMENT.—The Commission shall—

21 (1) assign the licenses for public safety created
22 pursuant to subsection (a) no later than March 31,
23 1998; and

1 (2) commence competitive bidding for the com-
2 mercial licenses created pursuant to subsection (a)
3 no later than July 1, 2001.

4 (c) CONDITIONS ON LICENSES.—With respect to
5 public safety and commercial licenses granted pursuant to
6 this subsection, the Commission shall—

7 (1) establish interference limits at the bound-
8 aries of the spectrum block and service area;

9 (2) establish any additional technical restric-
10 tions necessary to protect full-service analog tele-
11 vision service and digital television service during a
12 transition to digital television service; and

13 (3) permit public safety and commercial licens-
14 ees—

15 (A) to aggregate multiple licenses to create
16 larger spectrum blocks and service areas; and

17 (B) to disaggregate or partition licenses to
18 create smaller spectrum blocks or service areas.

19 (d) DEFINITIONS.—For purposes of this section:

20 (1) COMMISSION.—The term “Commission”
21 means the Federal Communications Commission.

22 (2) DIGITAL TELEVISION SERVICE.—The term
23 “digital television service” means television service
24 provided using digital technology to enhance audio
25 quality and video resolution, as further defined in

1 the Memorandum Opinion, Report, and Order of the
2 Commission entitled 'Advanced Television Systems
3 and Their Impact Upon the Existing Television
4 Service', MM Docket No. 87-268 and any subse-
5 quent Commission proceedings dealing with digital
6 television.

7 (3) ANALOG TELEVISION SERVICE.—The term
8 “analog television service” means services provided
9 pursuant to the transmission standards prescribed
10 by the Commission in section 73.682 of its regula-
11 tion (47 CFR 73.682).

12 (4) PUBLIC SAFETY SERVICES.—The term
13 “public safety services” means services—

14 (A) the sole or principal purpose of which
15 is to protect the safety of life, health, or prop-
16 erty;

17 (B) that are provided—

18 (i) by State or local government enti-
19 ties; or

20 (ii) by nongovernmental, private orga-
21 nizations that are authorized by a govern-
22 mental entity whose primary mission is the
23 provision of such services; and

24 (C) that are not made commercially avail-
25 able to the public by the provider.

1 (5) SERVICE AREA.—The term “service area”
2 means the geographic area over which a licensee
3 may provide service and is protected from inter-
4 ference.

5 (6) SPECTRUM BLOCK.—The term “spectrum
6 block” means the range of frequencies over which
7 the apparatus licensed by the Commission is author-
8 ized to transmit signals.